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DEREK S. HANSEL
Executive Director

**MINUTES OF THE SPECIAL MEETING OF THE
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
HELD AT 103 COLLEGE ROAD EAST, PRINCETON, NEW JERSEY
ON FRIDAY, MARCH 8, 2013**

The meeting was called to order at 9:04 a.m. by Chairman Jacobs. The New Jersey Educational Facilities Authority gave notice of the time, place and date of this meeting via fax and email on February 19, 2013, to The Star Ledger, The Times and the Secretary of State and by posting the notice at the offices of the Authority in Princeton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Educational Facilities Authority in order to hold a session from which the public is excluded.

AUTHORITY MEMBERS PRESENT:

Roger B. Jacobs, Esq., Chairman (via phone)
Ridgeley Hutchinson, Vice Chairman (via phone)
Andrew P. Sidamon-Eristoff, State Treasurer (represented by Steven Petrecca) (via phone)
Rochelle Hendricks, Secretary of Higher Education (represented by Gregg Edwards)
(via phone)

AUTHORITY MEMBERS ABSENT:

Joshua Hodes, Treasurer

STAFF PRESENT:

Derek S. Hansel, Executive Director
Katherine A. Newell, Esq., Director of Risk Management
Marie P. Mueller, Controller
Jennifer Soyka, Project Manager (via phone)
Sheryl Stitt, Dir. of Legislative Strategy and Public Communications
Jennifer LaMarsh, Associate Project Manager
Sheila Toles, Exec. Assistant/Human Resources Specialist

ALSO PRESENT:

Clifford Rones, Esq., Deputy Attorney General
Brett Tanzman, Esq., Governor's Authorities Unit (via phone)
Amy Herbold, Esq., Governor's Authorities Unit (via phone)

ITEMS OF DISCUSSION

1. Approval of the Minutes of the Meeting of January 24, 2013

The minutes of the meeting of January 24, 2013 were hand delivered to Governor Chris Christie under the date of January 29, 2013. Mr. Hutchinson moved that the minutes of the meeting be approved as presented; the motion was seconded by Mr. Edwards and passed unanimously.

2. Resolution and Form of Legal Documents for the Sale of NJEFA Revenue Bonds, Princeton Theological Seminary Issues, 2013 Series B and 2013 Series C, In an Amount Not to Exceed \$100,000,000

Mr. Hansel reported that this item had been pulled from the agenda due to late developing issues. He advised that staff currently anticipates presenting it to the Members at the March 21, 2013 meeting.

3. Resolution Appointing Professionals for NJEFA Bonds Issued on Behalf of Seton Hall University

Ms. Soyka reported that the resolution appoints The Bank of New York Mellon as Trustee. The Bank of New York Mellon proposed the lowest fee and has worked with the University in the past. The resolution also appoints Prager & Co., LLC as Financial Advisor. She explained that as previously there were two evaluators from the Authority and one from the University. However, this time, as explained in the RFP, the University elected to review only the top five as scored by the Authority evaluators because some Universities has expressed that the number of RFP's they have to review can be overwhelming. Prager & Co. scored the highest of the five. One RFP for underwriters went to all the firms in both the senior manager and co-manager underwriting pools and the resolution appointed Citigroup Global Markets, Inc. as Senior Managing Underwriter. Ms. Soyka explained that the review of the senior manager underwriter pool was done as it had been in the past, with one party from the Authority, one from the Institution and one from Treasury. As with the Financial Advisor RFP, the University reviewed the top five scorers and the highest score was Citigroup.

She explained that the resolution also requested that the Members delegate the authority to appoint, one or more, co-managers to the Executive Director because given the expected size of this transaction, which is around \$25 to \$30 million, it is not likely that a co-manager will be needed, but it would allow for flexibility. Mr. Hansel informed the Members that the Authority had the proposals for co-managers and reassured them that if the size of the transaction increased, for whatever reason, such that it would be appropriate to have co-managers, Authority staff would review co-manager proposals, score them and choose those who would have been

recommended under the typical process. He reiterated that the likelihood was extremely remote that a co-manager would be used on this transaction.

Mr. Petrecca moved the adoption of the following entitled resolution:

RESOLUTION APPOINTING PROFESSIONALS IN CONNECTION
WITH THE ISSUANCE OF BONDS BY THE AUTHORITY ON BEHALF
OF SETON HALL UNIVERSITY

The motion was seconded by Mr. Edwards and passed unanimously.

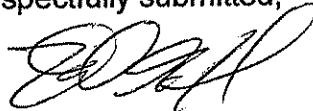
The adopted resolution and procurement memo is appended as Exhibit I.

4. Next Meeting Date

Mr. Jacobs announced that the next regular meeting would be on Thursday, March 21, 2013 at 9:00 a.m. at the Authority's offices.

Prior to the meeting's being called to order, Mr. Tanzman announced that he would be resigning from the Governor's Office and that Amy Herbold would be the Authority's new liaison to the Governor's Authorities Unit. Prior to the meeting's being adjourned, Mr. Jacobs wished Mr. Tanzman well and welcomed Ms. Herbold. He then requested a motion to adjourn. Mr. Hutchinson moved that the meeting be adjourned at 9:11 a.m.; the motion was seconded by Mr. Petrecca and passed unanimously.

Respectfully submitted,



Derek S. Hansel
Secretary

**RESOLUTION APPOINTING PROFESSIONALS IN
CONNECTION WITH THE ISSUANCE OF BONDS BY THE
AUTHORITY ON BEHALF OF SETON HALL
UNIVERSITY**

ADOPTED MARCH 8, 2013

WHEREAS, the New Jersey Educational Facilities Authority (the "Authority") was created as a public body corporate and politic of the State of New Jersey pursuant to the New Jersey Educational Facilities Authority Law (being Chapter 72A of Title 18A of the New Jersey Statutes, as amended and supplemented), N.J.S.A. 18A:72A-1 et seq. (the "Act"); and

WHEREAS, Seton Hall University (the "University") has requested that the Authority begin the process of procuring professionals in connection with the issuance of bonds by the Authority to financing a capital project on behalf of the University (the "Financing"); and

WHEREAS, the Authority board has been provided with a memorandum summarizing the procurement procedures and Authority staff's recommendations with respect thereto.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY, AS FOLLOWS:

- 1. Appointment of Trustee, Bond Registrar and Paying Agent.** The Bank of New York, Mellon, Woodland Park, New Jersey is hereby appointed as the initial Trustee, Bond Registrar and Paying Agent in connection with the Financing.
- 2. Appointment of Financial Advisor.** Prager & Co., LLC is hereby appointed as the Financial Advisor in connection with the Financing.
- 4. Appointment of Senior Managing Underwriter.** Citigroup Global Markets, Inc. is hereby appointed as the Senior Managing Underwriter in connection with the Financing.
- 5. Appointment of Co-Managing Underwriters.** The Authority hereby authorizes the Executive Director of the Authority to appoint one or more co-managing underwriters, if necessary, in connection with the Financing.
- 6. Effective Date.** This Resolution shall take effect in accordance with the Act.

_____ Mr. Petrecca _____ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by _____ Mr. Edwards _____ and upon roll call the following members voted:

AYE: Roger B. Jacobs
Ridgeley Hutchinson
Andrew Sidamon-Eristoff (represented by Steven Petrecca)
Rochelle Hendricks (represented by Gregg Edwards)

NAY: None

ABSTAIN: None

ABSENT: Joshua Hodes

The Chair thereupon declared said motion carried and said resolution adopted.



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DEREK S. HANSEL
Executive Director

Date: March 7, 2013
To: Members of the Authority
Issue: Seton Hall University, 2013 Series D

Below please find the procurement procedures that were undertaken with respect to the various professional appointments in connection with the Seton Hall University, 2013 Series D transaction and staff's recommendations with respect thereto.

Bond Counsel

In accordance with Executive Order No. 26 (1994) the Attorney General's office is in the process of procuring bond counsel for this transaction.

Senior Managing and Co-Managing Underwriter

Senior Managing Underwriter

On January 31, 2013, the Authority circulated an RFP for Senior Managing and Co-Managing Underwriting Services to the 13 members of the Authority's Senior Managing Underwriter pool and the 14 members of the Authority's Co-Managing Underwriter pool. On February 12, 2013, 9 responses were received from firms seeking appointment as Senior Managing Underwriter for this transaction. This number includes only those firms in the Senior Managing Underwriter pool previously approved to serve as Senior Managing Underwriter. The responsive firms and their respective scores are as follows:

<u>Firm</u>	<u>Evaluator #1</u>	<u>Evaluator #2</u>	<u>Evaluator #3</u>	<u>Fee</u>	<u>Total</u>
Citi	96.15	84.15	94.15	3.2351	274.45
RBC Capital Markets	93.95	84.45	85.95	3.6180	264.35
BAML	93.67	79.67	90.17	3.7060	263.51
Morgan Stanley	91.52	79.02	90.52	4.3880	261.06
Wells Fargo	90.85	82.85	83.35	4.2850	257.05
Barclays		75.29	88.79	4.9400	164.08
J.P.Morgan		77.62	81.62	4.0400	159.24
Jefferies		61.89	82.89	4.9100	144.78
PNC		62.56	74.56	3.5800	137.12

Recommendation: Citigroup

Co-Managing Underwriter

On February 12, 2013, 19 responses were received from firms seeking appointment as Co-Managing Underwriter in this transaction. This number includes firms from both the Senior Managing Underwriter pool and the Co-Managing Underwriting approved to serve as Co-Managing Underwriter. Given the size of the

transaction, we have requested that the Board delegate the ability to designate one or more co-managers for this transaction, in accordance with the Authority's procurement policies, if the size of the transaction warrants such an appointment.

Financial Advisor

On January 30, 2013, the Authority circulated an RFP to 56 financial advisory and posted the RFP on the Authority's and the State of New Jersey's websites. On February 11, 2013, 8 responses were received. Derek Hansel recused himself from this procurement due to a prior financial relationship with one of the respondents. The responsive firms and their respective scores are as follows:

<u>Firm</u>	<u>Evaluator #1</u>	<u>Evaluator #2</u>	<u>Evaluator #3</u>	<u>Fee</u>	<u>Total</u>
Prager	86.52	84.52	86.02	\$30,000	257.06
Acacia	81.77	82.77	90.27	\$17,500	254.81
1st Southwest	80.42	77.92	84.42	\$20,000	242.76
Fairmount	75.71	85.72	81.22	\$25,000	242.65
PFM	70.02	75.52	91.52	\$30,000	237.06
Phoenix		75.42	84.92	\$21,450	160.34
NW Financial		60.12	68.62	\$15,000	128.74
Realvest		42.5	68	\$75,000	110.5

Recommendation: Prager & Co., LLC


Trustee

On March 1, 2013, Authority staff circulated an RFP to the five banks that comprise the Authority's pool of trustees. On March 6, 2013, five responses were received. The responsive firms and their respective fees are as follows:

<u>Firm</u>	<u>Fees</u>
The Bank of New York Mellon	\$250
U.S. Bank, National Association	\$350
Deutsche Bank National Trust Company	\$1,000
Wells Fargo Bank, N.A.	\$2,000
TD Bank, National Association	\$2,500

Recommendation: The Bank of New York Mellon

The Authority's staff involvement in the procurement processes related to the above referenced professionals was completed as of the 6th day of March, 2013.

By: 

 Derek Hansel, Executive Director